

**BILL #** HB 2106

**TITLE:** ~~campaign finance; technical correction~~ (NOW: ballots; permanent early voting)

**SPONSOR:** Konopnicki

**STATUS:** As Amended by Senate JUD

**PREPARED BY:** Jenna Seplow

## **FISCAL ANALYSIS**

### **Description**

The bill makes many changes to elections as well as requires county recorders to establish a Permanent Early Voting (PEV) list. Voters can request that their name be added to the PEV list and then will automatically receive an early ballot for each election in which they are eligible to vote.

### **Estimated Impact**

The bill has no estimated General Fund cost.

The bill may have a fiscal impact on counties and cities. The magnitude of the cost and savings will depend on how the bill affects the current level of early voting, which is difficult to predict in advance. In the 2004 general election, approximately 1 million of the 2.9 million registered voters chose to vote early. If this bill encourages additional voters to vote early in future elections, counties and cities would need to mail more early ballots, which would increase costs. The fiscal impact of the new notification requirements is uncertain. If the bill increases early voting, it may generate savings from a reduced need for election workers.

### **Analysis**

Although the bill makes many changes to election law, the only provision that is expected to have a fiscal impact is the section requiring counties to establish PEV lists and their associated costs. While the Office of the Secretary of State reimburses counties for many of the costs associated with conducting elections, the Secretary's office does not reimburse counties for costs associated with early ballots. As the section of the bill relating to the establishment of a PEV list is the only section that is anticipated to have a fiscal impact, there is no estimated cost to the General Fund associated with the bill.

### **Local Government Impact**

The magnitude of impact on the counties and cities ultimately depends on the number of voters who request that their name be placed on the PEV list. Requiring county recorders to establish a PEV list would have a fiscal impact on the counties for all elections that include statewide and countywide races, as the counties are responsible for paying the cost of mailing early ballots and the election notice required by this bill in these races. This bill would also have a fiscal impact on the cities when city-only elections are conducted, as they would be responsible for the associated mailings. Some cities, such as the City of Phoenix and City of Tucson, have already established a PEV list. The extent of the fiscal impact on these cities would be less than for those that have not established a PEV list, as these cities may already follow the procedures required by HB 2106.

First, there would be a cost increase for counties and cities associated with mailing early ballots to voters who had not previously voted early. Maricopa County, which has approximately 60% of all registered voters in the state or approximately 1.5 million voters as of January 2007, estimates that the average cost per early ballot is around \$0.11, given the special postage rate they receive for sending election mail first class. This per ballot cost may be higher for smaller counties that do not negotiate a special postage rate with the U.S. Post Office. In Maricopa County, every 100,000 additional early ballots mailed to voters would increase costs by \$11,000.

Additionally, the bill requires that the officer in charge of elections mail voters on the PEV list an election notification at least 120 days before any elections scheduled to take place in March or September. The cost of this provision will depend on how counties currently mail notifications to registered voters. Maricopa County indicates that these mailings would replace their

current annual mailings to all registered voters on the PEV list. The current annual mailing is required by the Department of Justice as a means for the County to verify each voter's address, and it contains the voter's registration card and voting information. Maricopa County estimates that the bill's requirements for sending election notifications before March and September elections would meet the Department of Justice requirement and actually cost \$50,000 less per year than their annual mailing because the voter registration card and information in the current mailing is on thicker paper that costs more to mail. The County would not need to mail voter registration cards to voters on the PEV list because they do not vote at the polls, which requires them to present their voter registration cards. As other counties may conduct a similar annual mailing, they would also experience savings proportional to the number of registered voters on their PEV lists.

The costs associated with mailing additional early ballots may be offset by savings in other election expenditures. If more voters choose to vote early, counties and cities may be able to reduce the number of election workers. By placing voters wishing to vote early on a PEV list, counties and cities may also be able to reduce the number of workers needed to staff phone banks to process requests for early ballots via the telephone each year.

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